

MPL / Sectl / NSE / 08 / 2013

16th August 2013

The Manager,
Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", C-1 Block G
Bandra - Kurla Complex, Bandra (East)
Mumbai - 400 051

Fax No: 022 26598237 / 38, 26598347 / 48E Mail: cmilist@nse.co.in

Dear Sir,

Sub: Copies of Minutes of Annual General Meeting & Chairman Speech - reg

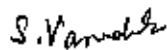
In terms of clause 31 of the Listing Agreement, please find enclosed the following:

- a) Copy of the Minutes of Annual General Meeting of our Company held on 2nd August 2013
- b) Six copies of Chairman's Speech delivered at the above AGM.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For Manali Petrochemicals Limited



S Vasudevan
Chief Financial Officer &
Company Secretary

Encl: as stated

Minutes of 27th Annual General Meeting of Manali Petrochemicals Limited

The Twenty Seventh Annual General Meeting (AGM) of the Company was held on Friday the 2nd August 2013 at Rajah Annamalai Mandram, Esplanade, Chennai - 600 108 at 10.15 A.M.

Present:

Mr. Ashwin C Muthiah	:	Chairman
Mr. T K Arun	:	Director & Chairman, Audit Committee
Mr. Kulbir Singh	:	Director
Mr. Sanjiv Ralph Noronha	:	Director
Mr. Muthukrishnan Ravi	:	Managing Director
Mr. S Vasudevan	:	CFO & Company Secretary

6,703 members including representatives of Corporate Members were present in person and 76 members were present through proxy.

The Meeting was chaired by Mr. Ashwin C Muthiah, Chairman of the Company.

At the outset, Chairman welcomed the members to the Twenty Seventh Annual General Meeting of the Company.

Chairman called the meeting to order and informed that the requisite quorum was present. He introduced the Directors present on the dais.

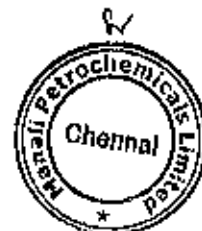
Chairman informed the Members that the Register of Directors' Shareholding was available for inspection, pursuant to Section 307 of the Companies Act, 1956.

With the consent of the members, the Notice convening the 27th AGM of the Company as already circulated to the Members was taken as read. The Chairman then delivered his speech and proceeded to transact the items set out in the notice of the meeting.

Item 1: ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR 2012-13

With the consent of the Members present, the Audited Accounts and the Report of the Directors for the year 2012-13 were taken as read. The Report of the Auditors to the Members on the accounts for the year was read by the Company Secretary.

Mr. K K Rajagopalan a Member of the Company proposed the following as an Ordinary Resolution:



RESOLVED THAT the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Notes thereon, the Cash Flow Statement for the said period, the Report of the Auditors and the Directors thereon be and are hereby received, considered and adopted.

Mr. R Ramalingam, a Member of the Company seconded the resolution.

Before putting the resolution to vote, the Chairman invited queries from the Members. Mr. D B R Venkatesulu, Member, sought additional information / clarifications on the accounts and the annual report, which were provided by the Chairman.

The Chairman then put the resolution to vote by show of hands, which was passed unanimously.

Item 2: DECLARATION OF DIVIDEND

The Chairman proposed the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the recommendation of the Board of Directors, a dividend of fifty paise per equity share on 17, 19, 99,229 Equity Shares of Rs. 5/- each, absorbing Rs. 860 lakhs (rupees Eight hundred and sixty lakhs only), subject to rounding off, be and is hereby declared out of the profits for the year ended March 31, 2013 and the same be paid

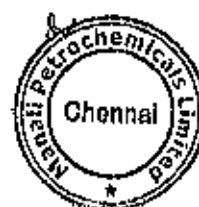
- i. In respect of shares held in physical form, to those members whose names appear on the register of members on 2nd August 2013 and
- ii. In respect of shares held in electronic form, to those members whose names appear in the list of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on 20th July 2013.

Mr. Prabhu, a Member of the Company seconded the proposal.

The Chairman then put the motion to vote by show of hands, which was passed unanimously.

Item 3: RE-ELECTION OF MR. SANJIV RALPH NORONHA AS A DIRECTOR

Mr. M B Ganesh, representing Southern Petrochemical Industries Corporation Limited, a Member of the Company proposed the following as an Ordinary Resolution:



RESOLVED THAT pursuant to the Articles of Association of the company, Mr. Sanjiv Ralph Noronha, a Director retiring by rotation being eligible and offering for re-election, be and is hereby re-appointed as a Director of the company.

Mr. L S Venkatraman, a Member of the Company seconded the proposal.

The Chairman then put the resolution to vote by show of hands, which was passed unanimously.

Item 4: APPOINTMENT OF AUDITORS FOR THE YEAR 2013-14

Mr. M Jambunathan, a Member of the Company proposed the following as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 224 of the Companies Act, 1956, M/s Deloitte Haskins and Sells, Chartered Accountants, Chennai, the retiring auditors with ICAI Registration Number 0080725, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company.

Mr. G Kothandaraman, a Member of the Company seconded the proposal.

Chairman then put the resolution to vote by show of hands, which was passed unanimously.

Chairman then moved on to the Special Business set out in the notice of the meeting.

Item 5: APPOINTMENT OF MR. KULBIR SINGH AS A DIRECTOR OF THE COMPANY

Mr. L S Venkatraman, a Member of the Company proposed the following as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956, and the Articles of Association of the Company, Mr. Kulbir Singh be and is hereby appointed as a Director of the Company, liable to retire by rotation.

Mr. G Somasundaram, a Member of the Company, seconded the resolution.

Chairman then put the resolution to vote by show of hands, which was passed unanimously.

With all the items set out in the notice having been transacted, the meeting concluded with a vote of thanks to the Chair.

CHAIRMAN

// CERTIFIED TRUE COPY //
For Manali Petrochemicals Limited

S. Vasudevan

S Vasudevan
Chief Financial Officer
& Company Secretary

Ladies and Gentlemen,

This is the 27th Annual General Meeting of your Company and it is my pleasure to welcome you all to this gathering. You have had the annual report and the audited financial statements with you for some time now and I am sure you would have reviewed your Company's performance. With your permission, I shall consider them as read.

Economic Overview

The past year has been one of the most challenging years for the Indian economy in recent memory. There were many business and economic factors that were responsible for this.

Globally, the uncertainties originating from the European Union were the most important cause for the overall muted economic sentiment. The progressive weakening of the euro, the worsening economies of Greece, Spain and Portugal, the increasing dependence of all bailouts on Germany and the recession across the non-euro zone Europe did not make for any optimism.

Domestically, all macroeconomic indicators deteriorated, be it agriculture,

manufacturing, power, steel, mining output, infrastructure and even the service sector. The sharp decline of rupee against the US Dollar made the imports costlier and with exports sector also wobbling, the already high Current Account Deficit has widened further. More importantly, for us in the petrochemical sector, this has made the oil and oil-derived commodities costlier.

The investment sentiment continued to remain negative and the growth rate across the economy's sectors either significantly slowed down or turned negative. India's GDP grew at a measly 5%, nearly two percentage points lower than last year. It was nearly 2.5% lower than the projections that were made last year.

Indian Petrochemical Sector

Your Company operates in the Polyurethanes (PU) market. The Indian PU market was stagnant during the year under review, reflective of the general economic slow-down, its impact on the Indian manufacturers, poor off-take by PU bulk consumers, inflationary pressures and the monsoon failure, resulting in low demand from end-users.

The growth of the PU industry is dependent on the overall economic situation and is driven by demand for goods that enhance lifestyle rather than being essential for subsistence. Therefore, the performance of the industry and its constituents are cyclical. With the Chinese economy also slowing down, dumping of polyols into India went unabated, further widening the supply-demand gap and endangering the domestic industry.

Additional PU capacities that were created to meet peak demand have turned redundant because of the drop in off-take and competition from overseas suppliers, inciting price wars and acute margin pressures. These are expected to be in place till there is improvement in the overall economic growth in India and across the globe.

The petrochemical sector is weighed down by a poor business climate that is undermining progress in the investment necessary to put India on par with its main Asian competitor, China. Production indices pointed to a sharp downturn and growth that was well below the 9.5% average petrochemicals demand growth rate targeted by the Government.

Company's Performance

The already dampened market for the products of the Company, coupled with stiff competition from global Polyol suppliers, has adversely affected the overall financial performance in 2012-13. Your Company had to settle for significantly reduced prices to retain its market share. The sluggish growth in the automobile and appliances segment, the main end users for the PU industry, has affected the margins of your company.

Your company recorded a turnover of Rs. 580 crore in FY 2012-13 against Rs. 630 crore in the previous year, a drop of about 8 per cent. The profit after tax dropped significantly by 37% and stood at Rs. 27.31 crore.

A dividend of 10% has been recommended for the year, notwithstanding the steep fall in the earnings and not a very positive outlook for the future.

Outlook

Your company has taken this testing phase as an opportunity to further introspect, innovate and implement focused cost control measures and enhance competencies for better performance.

Your Company is in the process of developing new products such as brake fluid, chemicals for drilling applications and water proofing compounds besides applications in medical devices. These measures are expected to improve the operational efficiency of your Company and ensure sustainable profitability.

Acknowledgement

In ending, I would like to express my deep appreciation to you, for your support to us at all times. I must extend my sincere thanks to our vendors, esteemed customers, banks, the Tamilnadu Government and the Government of India for their sustained support and help to Manali Petrochemicals over the years. My thanks are also due to all the employees of Manali Petrochemicals for their commitment and dedication in meeting the Company's goals. I take this opportunity to place on record my profound gratitude to my colleagues on the Board.

Thank you.

This does not purport to be the proceedings of the Annual General Meeting.



MANALI PETROCHEMICALS LIMITED

Registered Office:

SPIC House, No. 88, Mount Road,
Guindy, Chennai - 600 032.

Principal Office & Plant - I :

Ponneri High Road,
Manali, Chennai - 600 068.

Plant - II :

Sathangadu Village,
Manali, Chennai - 600 068.

27th Annual General Meeting
at **Rajah Annamalai Mandram,**
on 2nd August 2013

Speech by

Mr. Ashwin C Muthiah
Chairman